

**Respected Prime Minister, Hon'ble Deputy Chairman Planning Commission, Esteemed Members of the National Development Council, Ladies and Gentlemen.**

2. I compliment the Hon'ble Prime Minister and Deputy Chairman, Planning Commission for convening a meeting of National Development Council for eliciting the views of the state in regard to the draft 12<sup>th</sup> Five Year Plan. We last met in October, 2011 to discuss the approach paper to the 12<sup>th</sup> Five Year Plan.

3. Though the country has implemented 11 Five Year Plans since independence, and the focus of the latest 11<sup>th</sup> Five Year Plan was "Faster and Inclusive Growth", yet the country and its people face many challenges. As per latest definition of poverty of per capita per day expenditure of Rs 26 and Rs 32 in rural and urban areas, 29.8% of the population continues to be below the poverty line. The current economic model which focuses on higher growth has resulted in inequalities and the gap between the rich and poor is increasing. Large sections of population like Scheduled Castes, minorities and people in rural areas have remained excluded from the growth story. The education and health indices in the country continue to be lower as compared to even the neighbouring countries. People living in slum and rural areas lack access to sanitation and drinking water facilities. The human development index of the country has declined from 127 in 2005 to 134 in 2011. We have achieved high growth rate in the economy in terms of infrastructure development, capital intensive industrialization and high investment. However large sections of people have remained excluded from the growth story. There is a need to change the policy orientation and develop new methods to measure development by keeping the well-being of people as a centre of our planning process. Thus, while we must aim and strive to achieve the envisioned growth rate, the growth strategy must also focus at reducing disparities within regions, within states and within rural and urban population in each state. The main

focus should be to look beyond the GDP growth rates and per capita incomes to comprehensive measures of citizens' well-being.

## **12<sup>th</sup> PLAN OUTLAY**

4. The projected outlay for the 11<sup>th</sup> Plan was Rs 40,616 crore against which the achievement was to the extent of Rs 32,705 crore i.e. 81 %. Health, Power, Education and Social Welfare were the key sectors which received top priority during 11<sup>th</sup> Five Year Plan. The ban on recruitment was lifted and all vacant posts of doctors, teachers and para-medics were filled up. The infrastructure in Medical Colleges and Health Institutions was upgraded. The Punjab State Electricity Board was unbundled into Punjab State Power Corporation Limited and Punjab State Transmission Corporation Limited. In order to address 30% of power shortage, 3 thermal power plants of 3920 MW capacity were allotted to private parties and these plants are likely to be commissioned between May, 2013 and May, 2014. Upgradation of road network and provision for rural drinking water and sanitation were the other areas where top priority was given. The outlay for 12<sup>th</sup> Five Year Plan have been projected at Rs. 92,000 crore, which is 127% higher than the 11<sup>th</sup> Five Year Plan.

## **GROWTH PROSPECTS**

5. The 11<sup>th</sup> Plan target for the economic growth of the country was 9%, against which the actual growth has been to the extent of 7.9%. The economic recession during the year 2008-09 and the problem of debt in Europe in 2011 have contributed to slow down in the economy. The economic growth in the state during the 11<sup>th</sup> plan period has been 6.74% against the target of 5.9%. The year-wise growth has been 9.05%, 5.85%, 6.29%, 6.81% and 5.68%. The draft plan envisages an average growth rate of 8.2% for the country during the 12<sup>th</sup> plan period. This target would require the growth of atleast 9% during the last two years

of the 12<sup>th</sup> plan. As regards Punjab the target fixed for the 12<sup>th</sup> plan period is 6.4%. The target for agriculture, industry and services are 1.6%, 7.5% and 8.0% respectively. In spite of 6.74% growth during the 11<sup>th</sup> plan period, the state was one of the slowest growing state in the country. As per 12<sup>th</sup> plan projections of Government of India, the state has been given the target of 6.4% growth against 8.2% for the country as a whole. Stagnation in agriculture, problem of militancy and tax concessions to neighbouring states have contributed to slow economic growth in the state. Government of India will have to assist the state in a big way in diversification of agriculture and promotion of industry in the state to enable it to close the gap between the state and national growth rates.

## **STATE FINANCES**

6. The state is passing through a phase of fiscal stress on account of huge accumulated debt, implementation of Pay Commission Recommendations and inadequate support from the Government of India. The 13<sup>th</sup> Finance Commission had not increased the share of states in central taxes to 50% as demanded by the states. Due to skewed criteria adopted by successive Finance Commissions, state's share in inter-se distribution of central taxes has gone down from 2.45% as recommended by 5<sup>th</sup> Finance Commission to 1.389% recommended by 13<sup>th</sup> Finance Commission. Heavy expenditure on security during the prolonged period of militancy and inadequate support from Government of India have compelled the state government to resort to heavy borrowings which are likely to increase to Rs. 87518 crore by the end of March, 2013. Punjab, Kerala and West Bengal were identified as debt stressed states by the 13<sup>th</sup> Finance Commission. Government of India has constituted a committee under the chairmanship of Secretary Expenditure, Ministry of Finance to assist these states but no recommendations have been received from this committee. Government of India is requested to

finalise the recommendations of this committee and help the state of Punjab by waiving the entire small saving loan of Rs 22,222 crore at the end of March, 2012.

## **CENTRALLY SPONSORED SCHEMES**

7. Barring share of central taxes and normal central assistance, the entire central assistance is received by the states through central and centrally sponsored schemes i.e most of the central assistance is tied to specific schemes. The criteria for allocation of funds under flagship schemes is not favourable for the developed states like Punjab. State has hardly any un-irrigated area and therefore receives a meagre allocation under RKVY. Being a labour deficit state, there is little demand for NREGS. Similarly, under other flagship schemes like Sarva Shiksha Abhiyan, Prime Minister Gramin Sadak Yojna and Rajiv Gandhi Gramin Vidutikaran Yojana, the state having already developed the requisite infrastructure, it is deprived of its legitimate share. There is no provision of maintenance of huge infrastructure created by the state under most of the centrally sponsored schemes. The schemes are formulated on all India basis without taking into account the unique problems of the states. States have therefore little choice in priortising its development plan and it has to work according to priorities of the Central Government as reflected in the central and centrally sponsored schemes. Resources under the rule based devolution process have dwindled and has been overcome by tied assistance. The scope for discretion of the states to initiate state specific development strategy is being minimized. The BK Chaturvedi Committee has made some good suggestions regarding re-structuring of centrally sponsored schemes in terms of elimination of small schemes and clubbing the remaining schemes into the flagship schemes. The states are proposed to be given some flexibility in regard to provision for flexi funds, revision of norms and revision of financial norms every two years. However these cosmetic changes will not address the real issue. The state government is therefore

of the view that the centrally sponsored schemes do not serve desired purpose and should be abolished and the states should be given their earmarked allocation as un-tied grants. States are in a better position to leverage their strengths and utilize the funds according to their development needs.

### **STATE DISASTER RELIEF FUND**

8. The government of India altered the recommendation of the 11<sup>th</sup> and 12<sup>th</sup> Finance Commissions that “the balance in the fund at the end of five year plan period, may be made available to the state to be used as a resource for funding the next plan” and decided that these funds shall be treated as opening balance for the next plan. The state government had requested the 13<sup>th</sup> Finance Commission that the recommendation of 11<sup>th</sup> & 12<sup>th</sup> Finance Commissions in this regard be retained and implemented. But the Finance Commission has not accepted this request of the state government. The Government of India should re-consider the issue and balance amount in SDRF at the end of financial year should be made available to the state for being used as resource for next plan.

### **GOODS AND SERVICES TAX**

9. The state government agrees in principle with the introduction of Goods and Services Tax (GST) in the country. However, it should not be at the expense of limited revenues of the states. The state gets about Rs 1500 crore of revenue per annum from the purchase tax on paddy, wheat, cotton etc. The request of the state government is that the purchase tax should not be subsumed in the proposed Goods and Services Tax. There is no mention of the exclusion of the purchase tax in the proposed 151<sup>th</sup> Amendment Bill introduced in Parliament regarding Goods and Services Tax. Therefore, purchase tax on foodgrains needs to keep out of the

purview of the GST as in the case of state taxes on petrol, diesel, natural gas, liquor etc.

I would now like to briefly dwell upon the problems and prospects across various sectors of the state's economy.

## **AGRICULTURE**

10. The current production technology supported by appropriate policies and institutional infrastructure in the past contributed to huge increase in production of foodgrains in the state. Punjab continues to be a major contributor of foodgrains to central pool. Procurement of wheat was to the extent of 130 lakh MT and that of paddy 133 lakh MT during the current year. However, productivity has stagnated in the absence of scientific break-throughs in new high yielding varieties. The agricultural growth during the 11<sup>th</sup> Five year period in the State has been 3.84%, 2.05%, -0.32%, 3.01% and -0.25% giving an average of 1.67%. The additional growth in the agricultural sector can come from the following areas -

- (a) Identification and development of new varieties with higher yield potential and better quality of the agriculture produce;
- (b) Ecologically viable cropping systems and practices for maximization of production and profitability;
- (c) Processing and increasing of shelf- life of the horticultural produce;
- (d) Use of biotechnology to evolve pest tolerant varieties, bio-pesticides etc. with a focus on environmental sustainability;
- (e) Sustaining natural resources (soil, water, environment, biodiversity etc.) and increasing inputs' use efficiency.

11. Poor economy of small and marginal farmers and farm indebtedness should be the major concern of policy planners. The minimum support price should be atleast equal to cost of production + 50% profit as recommended by the noted farm

economist Dr. M.S. Swaminathan. The falling real farm incomes have led to rising agricultural indebtedness in the state. As per the NSSO survey, the peasantry of Punjab is the most heavily indebted in the country next only to farmers of Andhra Pradesh and Tamilnadu. The rural debts in Punjab are estimated to be more than Rs. 35000 crore. This has resulted in farm suicides. As per the latest survey conducted by PAU, Ludhiana, about 5000 farmers and farm labourers have committed suicides during the last 10 years. The state government is giving them compensation @ Rs.2 lakh per family. We urge the Government of India to pay special attention to farm indebtedness and waive all agricultural loans as one time measure regardless of the size of land holding. The state did not benefit much from the earlier debt waiver scheme which was limited to defaulters and small farmers.

12. The intensive farming regime in the state has been at a huge cost in terms of depleting water table and degradation of soils in the state. The rice wheat cropping pattern has become un-sustainable. The state has made some progress in the areas of diversification of crops. The introduction of BT cotton has helped in increasing its productivity and consequently area under cotton is increasing. The introduction of high yielding varieties has contributed to improvement in maize productivity. The state government has taken the following initiatives in order to diversify its cropping pattern –

- (i) It has been decided to amend APMC Act, 1961 to provide for direct marketing and setting up of private markets. The state has also decided to review the tax structure on purchase of the produce of alternate crops.
- (ii) It has been decided to enact a new Contract Farming Act so as to regulate the contracts and make these enforceable.
- (iii) 5 citrus estates have been set up and new varieties of citrus fruits i.e. Daisy Tengerne and W. Murcott are being supplied to the farmers.

- (iv) The government has set up 2 agro juicing plants at Abohar and Hoshiarpur. Four modern wood markets equipped with high-tech saw mills and seasoning plants are being set up for promoting agro forestry.
- (v) Commercial dairy farming is being encouraged by providing capital assistance on construction of animal housing and subsidy on insurance premium. Besides 200 integrated Buffalo Development Centres have been set up to cover about 1600 villages.

13. However, the state on its own will not be able to achieve much in the area of diversification without strong support from Government of India. We suggest that a Mission for Diversification of Agriculture in green revolution areas on the lines of bringing green revolution to the Eastern India must be started. A sum of Rs. 5000 crore be earmarked during the 12<sup>th</sup> plan period for dissemination of latest technology and creation of necessary infrastructure for cultivation of alternate crops. Government of India is further requested –

- (i) Even though Minimum Support Price is announced for as many as 25 agricultural commodities, yet there is no effective procurement mechanism for crops other than wheat and paddy. It is, therefore, necessary that arrangement for procurement of alternate crops be made.
- (ii) For increasing the productivity of pulses, oilseeds and other alternate crops, research be stepped up by ICAR. PAU Ludhiana and GADVASU Ludhiana have played a pioneering role in bringing revolution in the state. Therefore, these two research universities should be liberally funded by Government of India.
- (iii) Animal Husbandry activities like dairy, poultry, piggery etc. should be treated on par with agriculture and the benefits of exemption from income tax; interest rate etc. available to agriculture sector should also be extended to these activities.



- (iv) The Cotton Corporation of India should step in and procure cotton from the state. Special markets be created for gradation and marketing of cotton. Special package for re-habilitation and capacity expansion for cooperative sugar mills should also be given to the state.
- (v) To promote growing of vegetables and fruits, there is need to set up collection centres with facilities like washing, cooling, grading and packaging. The plants for processing and increasing their shelf life also need to be set up.
- (vi) Pakistan should be persuaded to grant MFN status to India and all items of trade with Pakistan should be allowed to be traded through land route Attari. At present, out of 6000 items, only 137 items can be traded through the land route.
- (vii) The state should be included in implementation of Intensive Dairy Development Programme. It cannot be excluded on the plea that it was covered under Operation Flood. Since Operation Flood programme ended long back and Punjab has a huge potential for dairy development, therefore, the state should be covered under IDDP.

14. During the kharif season 2012, the state had about 65% less rainfall and there was drought like situation. In spite of that there was record paddy production and we managed to procure 133 lakh MT of paddy. This was achieved by incurring an extra expenditure of Rs. 1530 crore by the Punjab Power Corporation in buying extra power at high cost from outside the state. Farmers had to spend Rs. 3000 per hectare extra for irrigating their crops through diesel pump-sets. The state had accordingly demanded a package of Rs. 5112 crore. A high level team from centre had also visited the state. There is a need to announce compensation for farmers of Punjab. However, no relief package has been announced for Government of Punjab.

15. The increased food production and slow movement of foodgrains have compounded the problem of food storage in the state. The total storage capacity in the State is about 200 lac MT against the annual procurement of about 225 lac MT. The Government of India should create adequate storage capacity and also move stocks out of the State on regular basis.

16. Punjab is a major consumer of fertilizers in the country. The state is of the view that there was no need to change the present system of fertilizer subsidy. Under the new policy of nutrient based subsidy, prices of DAP fertilizers have already been decontrolled and there is a proposal to decontrol the prices of urea and other inputs. The new subsidy regime has exposed poor and un-organized farmers to fluctuations in international prices of fertilizers. The prices of phosphatic and potassic fertilizers have almost doubled during the year. Any reduction in fertilizer use due to decreased affordability on account of higher prices can plunge the country into a serious food crisis. The green revolution did not just happen but it was a consequence of considerable and sustained nurturing by the state. A quick response mechanism to mitigate the adverse impact of increasing international prices is a must to achieve the objectives of the new subsidy policy without compromising the National Food Security.

17. The contribution of NABARD and State Cooperative Banks in modernizing the agriculture in the state has been immense. However, during the last few years the steps taken by NABARD have not been very helpful. They have increased the rate of interest on RIDF loans from 6.5% to 7.5% which needs to be rolled back. Other steps which NABARD should take are –

- The rate of interest of refinance should be decreased from 4.5% to 2.5%.
- The quantum of refinance should be increased from 45% to 75%.
- Interest subvention by Government of India be increased from 2% to 4%.

- Long Term Loans are refinanced by NABARD at the rate of interest of 9.9% which should be reduced so that Agriculture Development Banks can give credit to the farmers at reasonable rates.

## **RURAL DEVELOPMENT**

18. The total number of BPL families in 2004-05 was 5.23 lac (3.44 lac rural and 1.79 lac urban) which worked out to be 8.1% of total population. The 11th Plan target for Punjab for reduction in poverty ratio was from 8.1% in 2004-05 to 3.9% in 2011-12. A Committee headed by late Sh. Tendulkar was appointed to devise a methodology for determining the number of BPL families. As per this report, the poverty ratio for Punjab during 2004-05 was reworked at 20.9% (8.73 lac rural + 4.02 lac urban = total 12.75 lac). These figures were based on NSSO consumption survey of 2004-2005. The poverty ratio has been further revised to 15.9% based on the latest NSSO consumption survey of 2009-10. As per these estimates, there are about 9.75 lac BPL families in the state. The poverty line for Punjab in terms of monthly per capita expenditure works out to Rs 960 in urban areas and Rs 830 in rural areas. The state government has already completed the socio-economic survey of all families and the data has been submitted to the Planning Commission of India. The Planning Commission of India and the Government of India are yet to take a final view for poverty figures. Though, the number of BPL families has nearly doubled, yet it is felt that the idea of a pre-determined ceiling of BPL population is not good. The number of BPL families should be determined after the detailed survey without any pre-determined limit and the benefits under poverty alleviation schemes should flow on the basis of deprivation score. The Commission has tentatively indicated the target of reduction in poverty ratio by 10% during the 12<sup>th</sup> plan period. The state is hopeful of achieving it.

19. Livelihood security, housing and sanitation are the important areas under rural development which needs to be addressed on top priority during 12<sup>th</sup> plan. The National Rural Employment Guarantee Scheme and National Rural Livelihood Mission are laudable initiatives of government of India. However, the state of Punjab is not able to avail full benefit of MGNREGS. The real bottleneck in implementation of this scheme is extremely low wage rate. Though government of India has increased the wage rate from Rs. 153/- to Rs. 166/- per day for the state but it should be increased to Rs 191/- equivalent to the neighbouring state of Haryana. We welcome the decision of the central government to add 16 new activities relating to agriculture and animal husbandry, flood management and sanitation related works in the villages to the list of permitted works under MGNREGS. We welcome re-structuring of Swarn Jyanti Gram Swa-Rojgar Yojana as National Rural Livelihood Mission (NRLM). It is proposed to be launched in 8 blocks in the state in the first phase. The major focus of the mission is skilling rural poor youth for self-employment in micro enterprises as well as job placement in various employment opportunities.

20. As per the latest household survey conducted as part of census operations, out of total 54 lac families, 7.7 % or 4.16 lac are without pucca houses. The scope for Indira Awas Yojana is very limited and about 1, 02,000 houses were constructed during 11<sup>th</sup> plan period. The state government has notified a policy for providing 5 marla/125 sq. yard plot to rural houseless from the village common land. Besides, the Welfare Department is implementing a scheme for giving a grant of Rs 50,000 to house-less Scheduled Castes families. The state was finding it difficult to effectively implement Indira Awaas Yojana in some of the districts as the BPL list finalized in 2002 stood exhausted. We welcome the latest suggestions in the draft 12<sup>th</sup> Five Year Plan regarding de-linking of Indira Awaas Yojana beneficiaries from the BPL list and providing this assistance on the basis of deprivation score in the socio-economic caste census.

21. The state has made significant progress in regard to rural water supply and sanitation during the 11<sup>th</sup> plan period. In addition to National Rural Drinking Water Project, Punjab executed water supply schemes under Rs. 1280 crore World Bank assisted project. During the 11<sup>th</sup> plan period, 3280 not covered and 3455 partially covered habitations were taken up and the water supply schemes were completed leaving a balance of 1058 NC and 2423 PC habitations. These 3481 habitations would be taken up during 2012-13 and 2013-14 and by December, 2013, all 15170 rural habitations will get a assured water supply to 40-70 lpcd against the target of 50% of rural population. By the end of 12<sup>th</sup> plan period all habitations will be covered with 70 lpcd service programme. As per latest survey 34.9% household have piped water supply against the target of 35% fixed for the 12<sup>th</sup> plan period by the Planning Commission. Certain pockets of the state have water quality issues. The state government is installing Reverse Osmosis (RO) where the quality of under ground water is poor. So far 1794 ROs have been installed. Government of India is launching a separate programme for providing water supply schemes in fluoride affected villages. Punjab has some villages in this category but large number of villages have high content of uranium and other heavy metals which also need to be covered under the proposed programme.

22. There is large scale migration from rural areas to urban areas. The urban population in the country as a whole increased from 28% to 31% whereas the percentage of urban population in the state has increased from 34% to 38% during the last 10 years. People migrate to urban areas mainly on account of better education, health and civic facilities. Therefore there is need to upgrade these facilities in the rural areas. The Government of India scheme for provision of urban amenities in rural areas launched on pilot basis during the 11<sup>th</sup> plan has made little progress. It is therefore important that this scheme be strengthened and launched effectively during the 12<sup>th</sup> plan period.

23. The total sanitation campaign in the state has not been very successful except for providing toilets in schools and anganwadi centres. Under a state

scheme, a sum of Rs. 14500 is being provided for construction of toilets whereas under TSC there was provision of only Rs. 2200 per toilet. As a result only 1.84 lac toilets could be constructed under TSC. However under the state scheme, 5.58 lac toilets were constructed. There is urgent need to address the issue of sanitation and Government of India should ensure that all the households have access to toilets and the practice of a open defecation is put to an end during the 12<sup>th</sup> plan period. As per the latest house-hold survey 30% of house-hold in rural areas are without toilets. This works out to about 10 lakh families for which toilets are to be constructed. The total requirement of fund is about Rs 1500 crore. We welcome the decision of Government of India to construct toilets under Nirmal Bharat Abhiyan at a cost of Rs 10,000. This amount will, however, fall short of actual cost of construction of about Rs 15000. The progress in regard to Nirmal Gram status is not very encouraging in the state and 171 villages have achieved this status by elimination of open defecation.

## **IRRIGATION**

24. The state would focus on increasing the canal capacity and reducing dependence on underground water during 12<sup>th</sup> plan. The canals which are now operating at 30% below their designated capacity are proposed to be remodeled and upgraded. Besides, water courses will be lined and low cost dams would be constructed in hilly areas to utilize surface water for irrigation purposes.

25. The state government is implementing the following Accelerated Irrigation Benefit Programmes(AIBP) -

- Rs 540 crore Kandi Canal Phase-II – This project is likely to be completed by 2012-13.
- Rs 734 crore for modernization of canals fed from river Satluj -- Funds are yet to be released by Government of India for this project.

- Rs 952 crore for re-lining of Rajasthan Feeder Project – Funds have been received and the work will be taken up during April-May, 2013.
- Rs 614 crore for re-lining of Sirhind Feeder Project- Funds are yet to be received from Government of India for this project.
- Rs 2286 crore Shahpur Kandi Dam Project – This is an on-going project and is likely to be completed by 2016.

26. The state has two specific issues regarding projects being funded under AIBP. For Sirhind Feeder which is partly located in Punjab and partly in Rajasthan, the Government of India would contribute 90% for the state of Rajasthan for its portion situated in that state while for Punjab the contribution is only 25%. Government of India should end this discrimination and provide 90% funds for the portion situated in Punjab. The Government of India assistance for AIBP is only 25% in general category against 90% for special category states. Central assistance at a rate of 90% has been given for the projects in Special Category States benefiting Tribal area, Drought Prone, Flood Prone and Desert areas. This should include projects to be undertaken in waterlogged areas also, because problem faced in waterlogged areas are in no way different to those areas.

27. There is a proposal to establish National Irrigation Management Fund (NIMF) for assisting the states in operation and maintenance of irrigation infrastructure. However, this assistance is proposed to be linked to collection of water charges and establishment of Water Regulatory Authority. Similarly, central assistance under AIBP is proposed to be increased from 25% to 50% for those states which fully implement the reform agenda set out under NIMF. The state government welcome the establishment of NIMF. However, the assistance from this fund should be based on the requirement of the states and the assistance from NIMF and under AIBP should not be linked to recovery of water charges and establishment of water regulatory authority which are within the domain of the state.

28. The state is fully conscious of the depleting ground water table and the fact that Central Ground Water Authority has banned new tubewell connections in 18 of its 138 blocks and 110 blocks have been declared as dark. The State Government is taking a number of measures to check the depleting water table like construction of low cost dams, micro irrigation schemes, re-charge of rain water, diversification of crops. It is accordingly felt that coercive measures like the bill and Regulatory Authority will not bear fruit in a state like Punjab where 73% of irrigation is from tubewells and nearly 65% of the farmers have land upto 4 hectares. It is accordingly requested that Government of India should not link the release of 13<sup>th</sup> Finance Commission grant of Rs 320 crore for Water Management with the proposed bill and Water Regulatory Authority.

29. The State has submitted two projects to Government of India for reducing dependence on ground water. A project costing Rs 4128 crore for modernization/remodeling/renovation and extension of canals, deep tubewells, lining of water courses, cleaning of head works and repair of gates etc. has been submitted to the Ministry of Water Resources, government of India for financial assistance under AIBP. Another project costing Rs 3498 crore for management of ground water through resource conservation by way of laser leveling, underground pipe system, implementing on-farm practices, artificial recharge of ground water, construction of low cost dams, adoption of micro irrigation techniques and rain water harvesting has been submitted under National Food Security Mission to the Ministry of Water Resources for financial assistance. We seek early clearance of these two projects and funding under AIBP at the rate of 90% grant.

30. Under Command Area Development and Water Management Programme to provide assured irrigation to the farmers, two projects namely Sirhind feeder Phase-II and Bathinda canal Phase-II costing Rs 995 crore are under progress. Work of lining of water courses on Abohar canal and Bhakhra Main Branch canal is being carried out with NABARD assistance. The central grant for lining of water courses under CADWM is 50% of the project cost subject to maximum of Rs



15,000/- per hectare of area covered which was fixed on the price index as on 01/04/2008. This limit needs to be enhanced to at least Rs 30,000/- per hectare in view of the present price index and enhanced cost of material and labour. We welcome the latest suggestion in the Draft 12<sup>th</sup> Five Year Plan regarding increase of central assistance for Command Area Development and Water Management works from 50% to 75%.

31. River water available in Punjab is also utilized by Haryana and Rajasthan. However, the expenditure incurred for repair of damages due to floods in the rivers are borne by the state only. The expenditure needs to be shared by the neighbouring States as per their share in water or alternately I would like to request Government of India to provide 100% central assistance to the state for these works.

## **POWER**

32. The present availability of power in Punjab is 7035 MW including central share of 1973 MW against the peak demand of 10,435 MW. The State Government during the 11th Plan launched an ambitious plan to make Punjab a power surplus state by March 2014. Three Thermal Power Projects of 3920 MW generation capacity were allotted to private developers in the year 2007-08 and 2008-09. Work is in full swing at 1980 MW Plant at Talwandi Sabo, 540 MW plant at Goindwal Sahib and 1400 MW Plant at Rajpura. These plants are being developed by private companies namely Sterlite Energy, GVK and L&T respectively. All the units of these 3 power plants would become functional from May 2013 to May 2014. The construction of 206 MW Shahpur Kandi Dam is also to begin this year. Allocation of coal to above projects made by Ministry of Coal is short of actual requirement of the plants. Coal India Ltd should be asked to allot additional coal linkage of 7.8 million tonnes per annum for these power plants. Without full coal linkage, it will not be possible to exploit the installed capacity.

33. The Punjab State Power Corporation Limited has prepared and got approved DPRs for 47 major towns having population of more than 30,000 as per census 2001 under Gol restructured accelerated power development reforms programme(R-APDRP) at a cost of Rs 1900 crore. The programme aims to utilize information technology for providing efficient and transparent service to consumers, quality and continuous supply of power to all the consumers and to reduce the transmission and distribution losses by strengthening, augmentation of transmission, sub-transmission and distribution system. Transmission and Distribution (T&D) losses have been brought down to 17.42% during 2011-12 from 20.12% during 2009-10 and will be further brought down to less than 15% by the end of 12th Plan. Under Rajiv Gandhi Gramin Vidyutikaran Yojana, out of 148000 identified beneficiaries, 66431 have been provided single batti connection. Government of India has so far released Rs 57.36 crore in 2008-09 for this project. The work of balance 23569 BPL households is likely to be completed by 31/03/2013.

34. Punjab Power Corporation intends to set up a 1000 MW gas based power plant at Ropar. We have requested Gas Authority of India (GAIL) Ltd. to allot 4.5 MMSCMD (Million meter standard cubic meter per day) from its 583 km gas pipe line from Dadri to Nangal. The other request is that power projects would be viable only if the gas is made available at the price of around \$10 MMBTU.

## **INDUSTRY**

35. The industrial scene in the state is dominated by small and medium enterprises which account for more than 95% of the total industrial units. During 11<sup>th</sup> plan, 10487 new units have come up with an investment of Rs.17925 crore providing employment to 2,16,098 persons. During the last five years, 150 Mega projects of investment of Rs. 61932 crore were sanctioned and investment of Rs. 13087 crore has already been made. Another important achievement has been the

commissioning of Rs. 21500 crore Refinery Project at Bathinda. This project will attract investment in petroleum based downstream industry.

36. The state inspite of availability of power and excellent infrastructure has locational disadvantage due to its landlocked location with a hostile border. Prolonged militancy and abolition of freight equalization policy for iron and coal and tax concessions to neighbouring states during the last decade have further contributed to decline in industrial growth. Some specific measures need to be taken up during the next five year plan to rejuvenate and revive the industry in the state. We request –

- (i) Government of India has agreed to extend Delhi – Mumbai Industrial Corridor upto Ludhiana. This needs to be extended upto Amritsar.
- (ii) Eastern Freight Corridor from West Bengal to Delhi which has been extended upto Ludhiana, should be extended upto Amritsar.
- (iii) There is potential for development of industrial parks for pharmaceuticals, auto parts, hand tools, sports and leather goods industry which have large concentration in the state. Government of India should provide assistance for development of such parks as is being done in the case of textile parks.
- (iv) Central Sector Investment in Punjab is only to the extent of about 1.5% of the total investment in the country. There has been no major investment in the state for past many years. Government of India may facilitate location of a major project such as Automobile Manufacturing Unit which will have large scale potential for ancillary development.
- (v) Punjab state should also be considered for allocation of one National Manufacturing Investment Zone and the criteria of minimum land requirement for eligibility under this scheme should also be based on the

land availability in different states and should be left to the developer as per viability of the Zone.

- (vi) Punjab, which is primarily an agricultural and landlocked state, should be provided assistance for agro-processing industries. There is need to develop facilities for storage, cold chain, processing and marketing of agriculture produce.
- (vii) There is potential for development of IT and IT related industry in the state. GoI has laid down norms of minimum land requirement of 1000 hectares, 100 hectares, 40 hectare and 10 hectares for development of multi-product, product specific, ware house and IT SEZ respectively. Since there is a scarcity of land in Punjab, it is suggested that the land requirement criteria should be done away with, in the case of Punjab.
- (viii) Pakistan should be persuaded to grant MFN status to India. Indo-Pak trade has been liberalized by replacing the positive list with a negative list of 1209 items. Punjab has, however not benefited much from the new policy. Trade through the land route at Attari is permitted only for 137 items. It is requested that all items tradable with Pakistan be allowed to be traded through the land route at Attari.
- (ix) Rail link between Makhu in Ferozepur district and Patti in Tarn Taran district should be provided by Ministry of Railways. This link will reduce the distance between Amritsar to Bombay by 240 km and will help in decongesting the Delhi Rail route and unlock the business and tourist potential of the entire border region. It will also provide direct connectivity to Kandla Port.

37. There is acute shortage of mining and minerals i.e. sand, gravel, bajri, bricks etc. This is mainly on the account of pending issue with Ministry of Environment and Forests. They are requested to –

- (i) grant environmental clearance for 95 mining project falling in category 'A'.
- (ii) The state authority be empowered to consider environmental clearance of minor projects irrespective of its area by amending the schedule to the said notification.
- (iii) All the minor mineral projects of the area less than 5 acres be considered under category B2 so that their environmental clearances could be processed in minimum possible time schedule.
- (iv) Minor mineral projects of ordinary earth and brick earth wherein depth of mining does not exceed 6 ft be exempted from obtaining environmental clearance.
- (v) As per the general condition prescribed in the schedule to the EIA Notification, 2006 any project or activity specified in category 'B' will be treated as category 'A' if located in whole or in part within the 10 km from the inter-state boundaries and international boundaries. It is recommended that the aforesaid distance of 10 km be reduced to 1 km.

## **TRANSPORT**

38. Punjab has a big road network of 64037 km of roads consisting of 1739 km of national highways, 1503 km of state highways, 2107 km of major district roads, and 58688 km of rural roads which includes other district roads and village link roads. During 11th Five Year Plan, 405 km road length of national highways was upgraded to four lanes with an investment of Rs 1916 crore. The work of 4 laning of 400 km of 4 national highways of Shambhu – Jalandhar, Pathankot – Amritsar,

Ludhiana – Talwandi Bhai and Bhogpur – Mukerian is under progress and is likely to be completed by July, 2013 with an estimated cost of Rs 3284 crore.

39. During the 12 Five Year Plan, 5 national highways of 893 km road length of Zirakpur – Bathinda, Jalandhar – Dhilwan, Amritsar – Sri Ganga Nagar, Jalandhar – Jind and Kharar – Ludhiana will be upgraded to 4/6 lanning under Public Private Partnership with an estimated cost of Rs 5000 crore. Once these works are completed nearly the entire network of national highways will have been upgraded to 4/6 lanes.

40. The progress as regards the state highways and major district roads has also been equally impressive. 9 roads of 520 km length were upgraded on BOT basis at a cost of Rs. 620 crore. During the 12th Five Year Plan, there is a proposal to construct and upgrade 575 km of road length under BOT basis at an estimated cost of Rs 2500 crore. Besides, 28 ROBs/RUBs with the cost of Rs 485 crore have been completed and made operational. 5 High Level Bridges including HLBs over river Sutlej at Sarai Ka Pattan & Makhu and Multilane HLB over UBDC have been completed with the cost of Rs.135 crore. The work on 10 RoBs/RuBs and 6 High Level Bridges is in progress. There is a proposal to construct 12 RoBs/RuBs at the estimated cost of Rs 290 crore during 2013.

41. The state government also upgraded 705 km of state roads under the World Bank Funded Road Project of Rs 1500 crore. 204 km of more state roads length will be upgraded through long term 10 years tenure under output and performance based road contracts (OPRC). Under PMGSY, during 11th Five Year Plan, 3193 km of rural roads have been upgraded at a cost of Rs 1175 crore. During 12th Five Year Plan, 3200 km of rural road length at a cost of Rs 1600 crore will be taken up, besides upgradation of rural roads of 2000 km in border belt. There is an important issue concerning the land width for roads under PMGSY. Most of the villages link

roads have 8.50 meter land width available and therefore, 10 meter norm of land width should be reduced to 8.50 meter.

42. During the 11<sup>th</sup> Five Year Plan, 1200 new buses were inducted in the fleet of Punjab Roadways. An ultra modern bus stand was constructed at Hoshiarpur at a cost of Rs 8.25 crore. The construction work of ultra modern bus stand at an estimated cost of Rs 250 crore at Ajitgarh(Mohali) is in progress. Under the new transport policy, comfortable, affordable and adequate transport facility has been provided by introduction of HVAC, super integral and integral buses. The other important works which have been planned are computerization of the Transport Department, setting up of a driver training school, strengthening the fleet of Punjab Roadways and upgradation of existing infrastructure.

### **CENTRAL ROAD FUND**

43. Punjab contributes about Rs 600 crore per year in terms of levy of cess of Rs. 1.5 per litre on diesel and petrol to Central Road Fund. However, the formula of allocation of funds under CRF was altered to the disadvantage of the state in the year 2010. As per earlier formula, the weightage was given to the states for area and fuel consumption in the ratio of 40:60, now this ratio has been changed to 70:30. Due to this change, the state has to bear loss upto 35% of the annual accrual. I would like to request that earlier formula for allocating funds may be restored.

### **INFRASTRUCTURE**

44. Punjab Infrastructure Development Board (PIDB) is a nodal agency for infrastructure development in the state. During 11<sup>th</sup> plan period, a sum of Rs. 4400 crore was spent by PIDB on creation of infrastructure in roads, irrigation, urban,

water supply and sewerage and health sectors. It facilitated 14 infrastructure projects in Public Private Partnership (PPP) with a private sector investment of Rs 2003 crore during the 11<sup>th</sup> plan. The important works are bus terminals, Punjab Institute of Medical Science & Research Jalandhar, 2 superspeciality hospitals, polytechnics, tourist and road projects. During 12<sup>th</sup> five year plan, PIDB is likely to spend around Rs. 5000 crore from its own budget. Public Private Partnership works of Rs. 14908 crore are proposed to be set up in tourism, transport, health and road sectors. 3 of the important projects are – Rs. 8705 crore - Metro Rail Project Ludhiana, Rs. 2500 crore - Water Front City in Ludhiana and Rs. 900 crore - Ropar-Phagwara Expressway.

## **CIVIL AVIATION**

45. The state government was successful in increasing the air connectivity with other states in the country. Shaheed Bhagat Singh International Airport is being set up at Chandigarh by the government of India in collaboration with the state governments of Punjab and Haryana. Construction work of the terminal has been started at a cost of Rs.450 crore. 1<sup>st</sup> phase of the terminal building is expected to be completed by 2014. We request Ministry of Civil Aviation and Ministry of Defence to permit international airlines to start flights from this airport immediately since the entire infrastructure is ready and the airport has already been notified as a customs airport.

46. Sri Guru Ram Dass Ji International Airport, Amritsar has already been upgraded by Airport Authority of India for which the state has contributed 43 acres of land in addition to the 168 acres contributed earlier to set up the airport. A civil airport was also set up at Sahnewal in Ludhiana district. The government of Punjab has now provided additional 7.5 acre of land to Airport Authority of India for installing modern landing aids at Sahnewal. AAI has been requested to extend the runway for allowing bigger aircraft to land here to serve the demand of this



Industrial hub. Civil Enclave at Air Force Station Bathinda has been completed and flights are likely to be started shortly.

47. The state government proposes to upgrade the 2 flying academies at Patiala and Amritsar at a cost of Rs 5 crore in the Annual Plan 2012-13. We also propose to start two more flying academies at Talwandi Sabo and Faridkot in Public Private Partnership mode. In the 12th Five Year Plan, there is a proposal to construct a civil enclave at Indian Air Force Station at Adampur near Jalandhar and start domestic flights. A request has already been made to Ministry of Defence for NOC for this project.

### **SCIENCE AND TECHNOLOGY**

48. The government initiated a series of programmes in the 11<sup>th</sup> Plan for generation of power from renewable sources of energy. During the 11th Five Year Plan, a total 504 MW power capacity was added. It comprised of 46 mini hydel projects of 132 MW capacity, 34 bio-mass co-generation power projects of 316 MW, 5 projects of bio-mass power of 46 MW capacity and 7 solar power projects of 9 MW capacity. The projects which are under implementation are 4 mini hydel projects of 2.5 MW capacity, 7 co-generation power projects of 73 MW capacity and solar power projects of 20 MW capacity. Other achievements include installation of 77433 family size bio-gas plant under National Bio-gas Minor Management Programme.

49. The state government plans to further boost power generation from the renewable sources in the 12th Five Year Plan. The important projects which have been planned are Bio-mass power projects (150 MW), Mini Hydel Projects (50 MW), Bio-mass co-generation projects (200 MW), Solar Power Projects (77 MW) and Waste to Energy Projects (5 MW). The state government has notified a policy for grant of fiscal incentives to renewable energy projects. Much higher preferential

tariff by the regulator has been notified for the renewable energy projects. The cost of power sold under the long term power purchase agreement varies from Rs 5.80 per unit for bio-mass power to Rs 10.39 per unit for solar power projects.

50. Punjab State Council for Science and Technology is a nodal agency for promoting/implementing projects for environment improvement, natural resource conservation and popularization of science. Their achievements include development of pollution control technologies, setting up of Punjab biodiversity board, Regional centre of expertise on sustainable development. They have also taken up various national projects for documentation of standards for brick kilns, induction furnaces, etc.

51. Bio-technology Park is being set up in Public Private Partnership in Ajjitgarh (Mohali). Developer has already been selected for this park. Punjab bio-technology incubator has also been set up for quality testing and certification facilities from a private building. Pushpa Gujral Science City was set up in Kapurthala with an investment of Rs 100 crore for promoting science education among the students and public. Government of India is requested to provide financial assistance of Rs.30 crore for up-gradation of the Science City, Kapurthala – Phase-II.

52. Punjab Dyers Association has proposed to set up common effluent treatment plant in Ludhiana with an estimated cost of Rs 437 crore. Government of India is requested to finance this project to the extent of 50% and the remaining amount would be contributed by the state government and the industries.

## **URBAN DEVELOPMENT**

53. Punjab being the 8<sup>th</sup> major urbanized state (37.49%) of India, the critical challenges are basic urban services for the poor i.e. water supply, sewerage,

sanitation, solid waste management, affordable housing, health facilities, street lighting and public transport. The urban population in the state during the last decade grew by 26% as against 8% growth in rural areas. There is an increasing trend of existing bigger rural areas getting converted into urban areas. Providing civic amenities in these towns would require huge funds during 12<sup>th</sup> plan period.

54. At the start of 12<sup>th</sup> Five Year Plan the coverage of basic amenities in urban areas are like Water Supply: 88%, Sewerage: 63%, Sewage Treatment Plant: 38%, Roads & Parks: 66%, Slum Development & Housing: 46% and Fire Services: 50%. The Local Bodies Department has drawn up a three year plan for providing 100% water supply, sewerage, sewage treatment plants and other civic services in all the Municipal areas. A State Urban Development Mission has been set up to achieve these objectives. The State has formulated Rs 8745 crore plan for comprehensive upgradation of municipal infrastructure during the 12<sup>th</sup> plan period. Funds to the tune of Rs 4268 crore have already been tied-up with the support of central government, state funds, ULBs, PIDB and PUDA. A sum of Rs1469 crore has already been received and remaining Rs 2799 crore would be received in phases. Government of India is requested to enlarge the scope of JNNURM during the 12<sup>th</sup> Five Year Plan while providing liberal assistance to the state.

55. The Municipal Corporation Ludhiana has engaged Delhi Metro Rail Corporation as consultant for providing Metro rail services in the city of Ludhiana. The project is likely to cost Rs 10300 crore. All the Corporation towns have set up Unified Metropolitan Transport Authority for coordinating planning and implementation of urban transport programme and integrated management of urban planning system. City Bus Service has already been started in Jalandhar and Ludhiana towns and is being started in Amritsar.

56. The state has also taken the lead in solid waste management through public private partnership. The entire state has been divided into 8 clusters and the private parties have been allotted work in 4 clusters and the remaining clusters will be allotted shortly. The project includes door to door collection, transportation and

disposal of garbage. Similarly, the state has taken a lead in working out public private partnership model for energy efficient street lighting in all municipal towns.

57. The state government is committed to implement the proposals contained in the city development plan for tri-city of Chandigarh, Ajitgarh (Mohali) and Panchkula. A plan has been worked out at a cost of Rs 4120 crore for Ajitgarh by WAPCOS under JNNURM. Government of India is requested to include the town of Ajitgarh under JNNURM and sanction funds.

58. The affordable housing for all urban population is a huge challenge. The state has made a limited progress under the Basic Services Urban Poor (BSUP) and Integrated Housing Slum Development Programme (IHSDP) components of JNNURM. 11772 houses were constructed during the last 5 years. Rajiv Awas Yojana (RAY) has been non starter in the state. Its scope should be expanded and it should be ensured that atleast majority of people living in the slum have access to affordable houses.

59. New Town Planning norms conforming to international standard have been laid for development of all towns. The Master Plan of 32 towns have already been notified and Master Plan of 40 towns are under various stages of finalization. The state has constituted District Planning Committees comprising of Zila Parishad and Municipal Bodies. The requisite powers have been devolved to all Municipal Committees. The Committees have been allowed to levy property tax and the procedure for its calculation and recovery has been simplified.

## **HEALTH**

60. The state government during the last 5 years has accorded top priority to upgradation of infrastructure in terms of manpower, civil works and equipments in the hospitals. A decade long ban on recruitment was lifted in 2009. More than 1327

doctors and 3800 para-medics were appointed during the last 3 years. To fill the gap of specialists 'walk-in' interview is being conducted on 16<sup>th</sup> of every month. There is no shortage of MBBS doctors and other para-medics in the state. However, the department has not been able to fill up all the vacant posts of specialists for which continuous efforts have been made and host of incentive like 5 additional increments, choice of place of posting etc. are being offered. An objective and transparent transfer policy has been formulated and got approved from the State Cabinet. The policy aims at minimum of 4 years of service in rural areas.

61. Punjab traditionally has had a very well developed infrastructure in health sector. A comprehensive plan of Rs. 350 crore for upgradation and construction of health institutions was completed and 2 new district hospitals, 6 new sub divisional hospitals and 31 community health centres were constructed. The state has now requisite number of medical institutions as per norms except for sub centres. A sub centre is required to cater population of 5000. The cost of manning the sub centre is borne by Government of India and there has been no increase in the number of sub centres during the last 20 years. As per latest 2011 rural population norms, the state requires 3464 sub centres against the present strength of 2951 and therefore, Government of India should sanction 513 new sub centres. The state welcomes the finalization and publication of Indian Public Health Standards. However, upgradation of health institutions to IPHS level is beyond the capacity of state government and we require Government of India support for this.

62. The state government is conscious of the important role played by the private sector in providing quality health care. The state government constructed at a cost of Rs. 200 crore each two Super Specialty Hospitals at Mohali and Bhatinda on government land in collaboration with the MAX Health Care Limited. Major private hospitals have been empanelled under the medical re-imburement scheme for government employees, Rashtriya Swasthya Bima Yojana (RSBY), Employees State Insurance (ESI) and Chief Minister Relief Fund for cancer treatment. The

Housing and Urban Development Department has been allotting lands to private hospitals in the new urban colonies.

63. Priority has also been given to provide affordable health care to poor people population especially in rural areas. National Rural Health Mission has been of great help in this regard. Government of India should launch the much awaited National Urban Health Mission and preferably merge the existing National Rural Health Mission and the proposed National Urban Health Mission into National Health Mission. Deliveries were made free and 108-free ambulance service was made functional by deploying 240 ambulances throughout the state. 50% of the 445 Primary Health Centres have been upgraded for 24x7 delivery services. A separate 30 bedded maternity centres have been constructed in all district hospitals. The school students are being provided treatment free of cost for congenital heart disease, cancer and thalassemia. All primary and secondary school students are screened for health check up once in a year and the requisite treatment is given to them free of cost. The Health Department finalized a list of essential medicines. However, the free distribution of these medicines is limited to BPL families and not to all patients. Government of India should assist the state in providing medicines free of cost to the patients coming to government hospitals.

64. The National Rural Health Mission is being effectively implemented in the state. The annual outlay of Rs 424 crore is fully spent. The state has already introduced early registration of pregnancy in the sub-centres, monitoring their progress through mother-child tracking system (MCTS) and safe delivery in hospitals. The deliveries in government hospitals are free including transport. Since July 2010, all the maternal deaths are audited. The IMR of the state has declined from 44 in 2006 to 30 in 2011 with 14 points reduction in 5 years. The decline in IMR was by as much as 4 points in 2010 and 2011 and in terms of percentage reduction, the state is at number 2 during 2011. The MMR has declined from 192 in 2004-06 to 172 in 2007-09. The state is likely to achieve the 12<sup>th</sup> plan target for IMR of 16 and MMR of 78. The child sex ratio has also improved from 798 in 2001 to

846 in 2011. The 12<sup>th</sup> plan target of 950 for child sex ratio is somewhat ambitious and state would strive to achieve it. The TFR for the state being 1.7 is already below the 12<sup>th</sup> plan target of 2.1.

65. Under Rashtriya Swasthya Bima Yojna, 2.20 lac families out of 5.23 lac BPL families have been covered for insurance of Rs 30,000/-. Rashtriya Swasthya Bima Yojna is currently limited to the poor and for certain selected groups. The insurance cover is limited to Rs 30,000 which is too meager. The scope of this scheme should be increased and insurance coverage be increased to at-least Rs 1.00 lac.

66. The scope of Rashtriya Arogya Nidhi is extremely limited since only BPL families are covered and that too only if they get treatment in government hospitals. The cost of treatment of life threatening diseases is prohibitive even for middle class families and therefore the scope of this scheme should be enlarged and all the families whose annual income is less than Rs 1,00,000 should be covered under this programme. There is a need to cover private hospitals under this scheme at PGI/AIIMS rates.

67. The state government is conscious of the problem of widespread misuse of drugs and increasing cases of food adulteration. To make the enforcement of the Drug Act and Food Safety Act more effective, a new department of Food and Drug Administration is being set up in the state. Government of India should assist the state in establishment of this new department by providing infrastructure and man power. Effective implementation of food safety act is essential for well being of the people.

68. Punjab has seen rising number of cancer cases especially in Southern Malwa Districts. State Government has taken concrete measures for treatment of cancer patients. Chief Minister relief fund was set up in 2010-11 for providing Rs 1.50 lac assistance to cancer patients. The disease was made notifiable and a programme for registration of all cancer patients was started at a central location in government medical college, Patiala. A cancer diagnostic and treatment centre is

being set up at Bathinda by Baba Farid University, Faridkot with an additional central assistance of Rs 60 crore in the current year. The oncology departments in all three medical colleges have been upgraded and cancer control programme has been launched in three districts of Bathinda, Mansa and Hoshiarpur. Government of India is requested to construct a modern cancer hospital in one of the southern regions of Punjab and include all southern districts under National Cancer Control Programme.

69. The state has three medical colleges. Government Medical College, Amritsar has been upgraded under PMSSY whereas Government Medical College, Faridkot was upgraded from state's own resources. The upgradation of Government Medical College, Patiala which is more than 60 years old should be funded by the Central Government during the 12<sup>th</sup> plan. Government of India should construct medical colleges in collaboration with the states on the pattern of National Institutes of Technology. The district hospitals in big towns require to be upgraded for tertiary care.

70. We welcome the decision of Government of India to increase the Post Graduate seats by 1.5 times. Still, this increase would not be able to meet the requirement of specialists in the state. The post graduate seats should atleast be doubled. Besides, the norms for setting up a new medical college should be liberalized making it easier to establish new medical colleges.

## **EDUCATION**

71. The state government has made concerted efforts to upgrade the infrastructure in government schools in terms of civil works and recruitment of teachers. As many as 50395 new teachers have been recruited. The Educational Development Index of the state has jumped from 14<sup>th</sup> position among all the states in the year 2006-07 to 1<sup>st</sup> position among the states in the year 2010-11. The Gross Enrolment Ratio (GER) at primary level is 94.23%, upper primary 76.79%,



secondary 77.64% and senior secondary 57.27% and the gender gap at primary level is 10.12%, upper primary 12.93%, secondary 9.64% and senior secondary 12.10%. The targets fixed for the 12th plan are 90% for secondary level and 65% for senior secondary level. The state is hopeful to achieve this target. The gender gap in literacy of the state is 10.14% against all India level of 16.68%. The state literacy rate at present is 76.68% and it is likely to achieve around 83% or 84% during the 12th Five Year Plan.

72. The poor especially in rural areas do not have access to quality school education. The state government during the 11th plan started the adarsh school project in Public Private Partnership (PPP) mode with limited success. Against the target of 128 adarsh schools, 24 schools were set up. We have opened 18 model schools under RMSA in educationally backward blocks. Government of India scheme for providing one model school in each block under PPP mode did not take off during 11th Five Year Plan. There is need to set up one state of the art fully residential school at every district head-quarter for meritorious students belonging to rural areas. The schools would admit only meritorious rural students and provide free education. It is important that rural students have equal opportunity and meritorious students do not suffer on account of poor economic condition. Government of India should assist the state for setting up of such schools during the 12<sup>th</sup> plan.

73. The state government has by and large fulfilled its obligations under Right to Education Act. The rules have been notified. The guidelines for admission of 25% students belonging to weaker sections have been issued. Household survey has been done for identification of out of school children in the age group of 6-14 and 18459 children have been identified. As regards recognition of private schools, applications have been received from 7628 schools within stipulated time and 1673 schools failed to submit their declaration forms. Necessary action is being taken against such schools as per rules. The state government requests for Rs 250 crore for implementation of RTE Act in the state. This amount should either be fully

reimbursed by Government of India or at least it should be made a sub scheme under SSA.

74. The state government seeks amendment in the guidelines for Rashtriya Madhyamik Shiksha Abhiyan (RMSA) for upgradation of middle schools to secondary schools. As per the existing norms, no new high school or senior secondary school can be established within a radius of 5 km of existing high school or senior secondary school. The distance criteria should be reduced to 3 km in view of the fact that Punjab is densely populated state and there are adequate number of students within a radius of 3 km. It is also requested that under RMSA, upgradation of middle schools to senior secondary schools and upgradation of high schools to senior secondary level should be permitted.

75. The proposed National Mission on Teachers and Teaching during the 12th Plan is a laudable initiative of Government of India. There is need to consolidate all programmes related to teacher training under the proposed mission. 30 schools of education are proposed to be established in the selected universities. The state has two well known universities namely Guru Nanak Dev University Amritsar and Punjabi University Patiala. It is requested that atleast one school of education be setup in one of these universities. EDUSAT programme has been fairly successful in the state. The scope of this programme should be expanded and Government of India should start providing assistance for this programme.

## **HIGHER EDUCATION**

76. The Gross Enrolment Ratio (GER) for higher education in the state is around 11.12% as per survey conducted by the UGC in the year 2011, which is lower than the national ratio of 12.40%. We have set up 17 new university colleges during the last five years. To encourage private participation in higher education, the state has notified Punjab Private Universities policy, 2010 for setting up of self financed private universities. So far, 8 private universities have been set up under

this policy. 46 government colleges are being upgraded under one time ACA. The state is hopeful of achieving the GER target of 25% by 2017-18.

77. The state government has made available 544 acres of land for the Central University in Bathinda at a cost of Rs 166 crore. However, the construction work is yet to begin. The academic work is going on at an alternative site. As regards the World Class University near Amritsar, some sites were identified by the state which have been visited by the site selection committee. Government of India is requested to convey its approval for one of these sites.

78. It has been indicated in the draft paper that Government of India is going to provide significantly higher central funding, which is a welcome step. There is need to increase the scholarships both in number and quantum, so that students have access to large number of private institutions. It is a matter of concern that big country like India does not have even a single academic institution among the first hundred in the world, ranked by various agencies. Government of India should select atleast one existing academic institution in every state and bring it on par with International standards.

## **TECHNICAL EDUCATION**

79. There are 107 engineering colleges, 139 polytechnics and 409 ITIs. The government sector comprises of 6 engineering colleges, 25 polytechnics and 111 ITIs. 7 new government polytechnics @ Rs 12.30 crore per polytechnic were established in the districts where there was no polytechnic. The work for upgradation of 35 ITIs into Centres of Excellence was initiated at a cost of Rs 128 crore and it would be completed in the next two years. Similarly, remaining 76 government ITIs are being upgraded under PPP mode @ Rs 2.50 crore per ITI. The seating capacity would be enhanced by 8400 seats. Four reputed institutions namely Indian Institute of Technology (IIT) at Ropar, Indian Institute of Science Education and Research (IISER) at Mohali, Indian School of Business (ISB) at

Mohali and National Agro-Bio Technology Institute (NABI) at Mohali were started in the last five years. Government of India is requested to start work of construction of buildings of IISER and NABI. The setting up of these institutions would give boost to technical education in the state.

80. So far, 234 government and private ITIs have been registered as vocational training providers. It is proposed to set up 2500 skill development centres in the state, each center covering about 4-5 villages for 12500 villages in the state. 250 skill development centres are proposed to be set up in the first phase, sites for 247 skill development centres have been identified and selected. Government of India is requested to finalize the policy for development of these skill development centres whether in public or private sector. All the ITIs in government and private sectors have started running in two shifts and the student capacity has also doubled. Land for ITIs in 43 unrepresented blocks has been identified and out of this, land at 27 places has been transferred to the department. All the ITIs are being set up with Government of India assistance under the PPP mode.

81. The Department of Technical Education with the assistance of NABARD is upgrading 11 Technical Institutions into Multi Discipline Academies. Under this scheme, a Polytechnic would have engineering courses as well as 10 +2 classes and similarly, engineering colleges would have 10 +2 classes and polytechnic courses. The Punjab Technical University is setting up engineering colleges in the 7 existing polytechnics and 6 new engineering colleges at Mansa, Sikhwala, Anandgarh, Kapurthala, Sultanpur Lodhi and Rajpura.

82. Indian Institute of Information Technology (IIIT) is proposed to be established at a cost of Rs 128 crore in the state under PPP mode. State Government also intends to establish Punjab Institute of Textile Technology and Research (PITTR) at Ludhiana and Punjab Institute of Food Technology and Research (PIFTR) at Barnala. PTU will set up these 2 institutions. The state proposes to establish an instructor training wing at a cost of Rs 5.50 crore not only for Punjab but also for adjoining states. Under Community Development through

Polytechnics Scheme (CDPS), SCs & weaker sections would continue to be provided professional training to enhance their employability.

## **EMPLOYMENT GENERATION**

83. The state government is making an all out effort to enhance the employability of the youth by imparting job specific vocational skills. Manpower survey of unemployment has been completed for 22 districts. Mass counselling programmes for providing educational and vocational guidance to youth were organized in 1048 institutes and 1.84 lac candidates benefited from this programme. In collaboration with leading corporate houses, a Construction Skill Development Centre (L&T) and a Driving & Auto-motive Skill Centre (Tata Motors) in Muktsar and a Training Centre in Retail Marketing (Bharti-Wall Mart Ltd.) at Amritsar have been set up. Self-Employment and Vocational Guidance Centres will be set up in the remaining 7 districts of the State during this plan alongwith upgradation of existing Vocational Guidance Centres to strengthen the Vocational Education.

84. A Training Centre for Security Guards was set up at Hoshiarpur for training 2500 candidates per year and all pass outs got the job as private security guards. For training of youth for job in military and para military forces, 16 training and employment of Punjab youth (C-PYTE) centres are functioning with an annual intake of 10,000 youth.

85. The state government has also introduced an incentive scheme for awarding Rs 1 lac to cadets from Punjab for getting admission in the Indian Military Academy and National Defence Academy. Besides, Maharaja Ranjit Singh Armed Forces Preparatory Institute has been established at Mohali to facilitate training /placement of 240 youth in the Defence Services. Foreign Employment Information and Training Bureau has been set up for guidance and placement of candidates in foreign countries which would be imparting training to 10,000 aspiring candidates

during 12<sup>th</sup> plan. Apart from this, a Migrant Resource Centre has been set up which became operational from 1<sup>st</sup> January, 2012 to act as a Help Line/Counselling Centre to control illegal migration.

## **SOCIAL SECURITY**

86. A Dedicated Social Security Fund has been set up for disbursing old age and other pensions to 20 lac beneficiaries @ Rs 250 per month. The state government has lowered the age for female old age pensioners from 60 to 58 years. Besides 2 lac beneficiaries belonging to BPL families would receive an additional pension ranging from Rs 200 to Rs. 300 per month under National Social Assistance Programme. Government of India is requested to enhance the scope of NSAP and cover atleast 50% of state beneficiaries list. The age limit of 40 years under Widow Pension Scheme of Government of India should be relaxed and all widows be made eligible as under the state scheme. The limit of 80% disability under Government of India scheme should be relaxed to 50% at par with the state scheme. The state government has decided to disburse these pensions at the homes of the beneficiaries, through the Electronic Benefit Transfers (EBT) in collaboration with banks.

87. The state government has launched some ambitious schemes exclusively for the welfare of women. Under 'Mai Bhago Vidya Scheme' 1.11 lac girls students of 11th & 12th classes in government schools are provided free bicycles. Under 'Bebe Nanaki Ladli Beti Kalyan Scheme' a sum of Rs 20000/- is invested with LIC on the birth of every girl child in families having annual income upto Rs 30000/-. The girl child would receive cash assistance at various stages of her schooling. Under Mata Kaushalaya Scheme, an incentive of Rs 1000/- is given to mothers for deliveries in government hospitals. The centrally sponsored 'Indira Gandhi Matritva Sahyog Yojana (IGMSY)' is being implemented on pilot basis in Amritsar & Kapurthala districts.

88. Under 'Integrated Child Development Services', supplementary nutrition is being provided to over 15 lac children and pregnant mothers through 26656 anganwadi centres. 22819 AWCs are housed in panchayat ghars or other community buildings, 3278 in rented buildings and only 559 centres have their own government buildings. In this regard the State welcomes the launch of centrally sponsored scheme for construction of anganwadi centres @ Rs. 4.50 lac per unit. Provision of Rs. 2000/- per annum per centre for its maintenance is also welcome. The restructuring of ICDS in mission mode will go a long way in helping the state government in construction and upgradation of anganwadi centres and providing adequate quantum of nutrition to children and mothers.

89. The State Government has taken a number of measures to check rising cases of consumption of narcotics and other habit forming drugs. Detailed guidelines have been issued for grant of new licenses for wholesale and retail chemists. These licenses, now cannot be acquired as a matter of right and will be granted only when there is inadequate coverage of population. Number of drug inspectors has increased from 21 to 53. A special cell headed by Inspector General has been created to check the sale of narcotics drugs. Rules have been notified for regulating private drug de-addiction centres. The government at its level has already set up 2 state level drug de-addiction centres at Amritsar and Talwandi Sabo and 10 drug de-addiction centres in the district hospitals. It has been decided to construct 5 new 50 bedded state level drug de-addiction centres and 12 more drug de-addiction centres in the remaining district hospitals during the 12th Five Year Plan. OST and MMT centres have also been set up in 12 district hospitals to wean away the youth from injectable drugs.

90. The state is fully implementing 'The Persons with Disability Act 1995' and "Maintenance and Welfare of Parents and Senior Citizens Act 2007" and other Acts concerning disadvantaged sections of society. The rules have been amended and procedure for grant of disability certificates have been liberalized. Doctors of Primary Health Centres have been authorized to issue such certificates for obvious

disability categories. Besides, 3% reservations in promotions has been provided at all levels to the physically challenged in addition to 3% reservation at the time of recruitment. A special drive was launched to ensure provision of wheelchairs at all bus stands in the State and at present such facilities have been made available in all bus stands. All Bus Stands proposed to be constructed in the coming times shall have the facility of special toilets designed for the use of physically challenged persons. It is now the legal duty of children to take care of their elderly parents failing which they may face imprisonment. There is an urgent requirement for construction of old age homes in the State. At present, the Government of India provides assistance to NGOs for establishing such homes. It is proposed that this funding be made available to the state government since the response from NGOs has not been very encouraging.

### **WELFARE OF SCs & BCs**

91. The state government is committed to uplift the under privileged sections of the society by improving their socio-economic conditions and promoting educational development with the objective of bringing them at par with the other sections of the society. The main thrust during 12th Plan period would be to protect the rights of vulnerable/depressed classes and launch programmes for their overall development. State Government is providing Shagun of Rs 15000/- to BC and other economically weaker families in addition to SC and Christian families (annual family income up to Rs 30,000/-) at the time of marriage of their girls, remarriage of widows/divorcees and marriage of daughters of widows.

92. The state is implementing various schemes for SCs for purchase of school bags, uniforms, shoes etc., construction of Dr. B.R. Ambedkar Bhawans and houses for houseless SC's. Requisite allocations would be made for attendance scholarships to primary girl students, pre and post matric scholarships and other scholarships to SC/OBC students and students of minority communities. The state



government has extended the attendance scholarship at primary school level to all girl students of backward classes and economically weaker sections in addition to SC girl students. There is an urgent need to adopt a uniform pattern in regard to the family income limit under all the schemes being funded by Government of India. The Department of Welfare is disbursing various scholarships directly into the accounts of students from the state capital and efforts will be made to disburse the scholarships at the time of start of academic session.

93. Ministry of Social Justice and Empowerment, Government of India launched 'Pardhan Mantri Adarsh Gram Yojana' in 2009-10 for development works in villages having more than 50% Scheduled Caste population. It is surprising that no village of Punjab which has the highest SC population in country has been included under this scheme. There are as many as 2068 villages which have more than 50% SC population. It is, therefore, our request that Government of India should also include these villages from the State under this scheme.

94. Punjab has the highest SC population of 31% in the country. But no weightage is given to this in devolution of taxes and allocation of normal central assistance.

### **SCSP**

95. As per the guidelines of the Planning Commission, Government of India, the SCSP component has been depicted separately for individual schemes. Rs 4039 crore have been earmarked for SCSP component in 2012-13 which is equal to the SC population of the state i.e. 28.85%. Scheduled Castes Sub-Plan (SCSP) comprises of both budgetary and extra budgetary outlays like State Plan. Out of budgetary outlay of Rs 6772 crore, the schemes amounting to Rs 2113 crore (31%) would wholly or substantially benefit the SC population. Under the extra-budgetary component, the allocation for SCSP is notional.

## **AADHAAR AND DIRECT CASH TRANSFER**

96. The State Government is successfully implementing the Government of India programme of Aadhaar for providing Unique Identification Number to the entire population. Under the first phase, one crore persons out of total 2.77 crore population have been enrolled. The enrolment in some of the districts has been as high as 84%. The Government of India has identified 34 schemes for direct cash transfer in 3 pilot districts of Gurdaspur, Fatehgarh Sahib and Shaheed Bhagat Singh Nagar. I am glad to inform that Punjab is already disbursing all the scholarships and other benefits through Account Payee's Cheque to the beneficiaries. The state will enroll all the beneficiaries through a targetted programme for UID and the account of beneficiaries would be Aadhaar enabled. Simultaneously the second phase of enrolment of UID is in progress in all the 22 districts. It has also been decided that all benefits under state schemes would also be disbursed to the beneficiaries through the Electronic Benefit Transfer Scheme at their door-step.

## **GOVERNANCE REFORMS**

97. The state government appointed Punjab Governance Reforms Commission in 2009 with a view to reducing the trust deficit between the citizens and the government. Based on the recommendations of the Commission, Right to Service Act was enacted in 2011 to provide 69 services in a time bound manner. 51 more services are proposed to be added to the Act. The other measures taken to deliver various services in a hassle free manner are –

- 166 Police Saanjh Kendras set up in separate buildings across the state to deliver police services;
- 160 Fard Kendras for supply of computerized copy of land records;

- Suwidha Centres at district and sub divisions for providing single window services for various departments;
- Computerization of birth and death record and
- Principals of colleges and authorised dealers empowered to provide various transport services.

98. The state government has recently set up a new Punjab Governance Reforms Commission in March, 2012. The new Commission will have a look at civil and criminal justice system, procedure for industrial development, regulation framework for NRIs Affairs, Health and Medical Education, Education, Technical Education and Employment and Fiscal Management.

99. As a part of National e-Governance Programme (NeGAP), the State Wide Area Network (PAWAN) has already been made functional with 193 Point of Presence (POPs), connecting 374 offices. For the convenience of general public 1700 Common Service Centres (CSCs) have been set up for extending the government services. Two districts, Kapurthala and Shaheed Bhagat Singh Nagar were taken up for pilot e-district project. After its stabilization in January, 2013, the project would be rolled out in the remaining 20 districts. The other important IT projects which have made big impact are - Integrated Finance Management System (IFMS) for computerization of treasuries and budget, Integrated Work Flow and Document Management System (IWDMS) for computerization of secretariat working, Smart card based driving license and Computerization of VAT Information system.

## **BORDER AREA DEVELOPMENT**

100. Punjab has a 553 km long international border with Pakistan. The six border districts of Punjab before partition were one of the most prosperous areas in the state. Prolonged militancy and hostile border has made the border region backward. The conditions of villages and towns is bad and calls for urgent attention. There is need for more employment opportunities and industrial development. We urge

Government of India to announce an Industrial Package in these border areas on the lines of the package provided for some of the hilly states.

101. The demand of farmers for compensation @ Rs 10000 per acre for the 18500 acres cultivable land situated across the border fence remains unmet. The compensation amount of Rs 19 crore per year is not a big amount. Government of India should sanction it. In certain areas, no compensation has been paid for the land used by the BSF for the 11 ft track along the border fence. A sum of Rs 20 crore is required for this 323 acres of land.

102. Rivers Ravi and Sutlej passing through the border districts of Gurdaspur, Ferozepur and Fazilka often wash away the crops of these areas during rainy seasons. In addition, there are number of choes/distributaries of these rivers which also cause damage to the crops of this area. Besides, Pakistan Government and Army are also spending huge funds on shifting of river Ravi towards Indian side. We urge Gol needs to provide funds for flood protection works on river Ravi.

## **DECENTRALIZED PLANNING**

103. The State Government has constituted District Planning Committees for all the districts of the State. From the year 2010-11, the Administrative Departments are implementing the district level plan schemes through District Planning Committees (DPCs). The guidelines for the preparation of the District Plans by District Planning Committees have been issued. An amount of Rs 4496 crore and Rs 504 crore is provided for the 12th Five Year Plan and Annual Plan 2012-13 respectively for implementation of various schemes at the district level including Border Area Development and untied funds.

## **CONCLUSION**

104. From time immemorial, Punjab has rendered yeoman services to the country for its defence and food security by devoting its precious resources. Given the geographical location and its allied burdens, Punjab is facing a lot of problems beyond its control. All this, I have indicated not only in this speech but also through letters written to the Government of India on various occasions. I urge Government of India to use its good offices for addressing the various issues highlighted here.

105. While concluding Mr. Prime Minister I would like to thank you for affording me this opportunity to meet you all and share my thought on the problems and difficulties faced by the state. I am sure these aspects would receive urgent attention of Government of India which will certainly contribute towards the attainment of faster, more inclusive and sustainable growth which is the vision of 12<sup>th</sup> Five Year Plan. With these words, I commend the draft 12<sup>th</sup> Five Year Plan for approval of NDC.

**JAI HIND**